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July 6, 2004

DEPT. OF TRANSPORTATION

DOCKETS

2007 JUL -7 A 10: 56

Docket Management Facility (USCG-2004-17350) U.S. Department of Transportation, Room PL-401 400 Seventh Street, SW Washington, DC 20590-0001

Re: INTERPRETATION OF INTERNATIONAL VOYAGE FOR SECURITY PURPOSES Docket USCG-2004-17350 — 4

Dear Sir or Madam:

The Offshore Marine Service Association (OMSA) represents some 300 firms engaged in support of the exploitation of mineral and oil resources, including some 100 companies that operate special purpose vessels in support of offshore oil and gas operations. While the association represents the world's largest offshore vessel companies, most of the companies in OMSA are to this day family owned and operated businesses. In many ways, the special purpose vessels these companies operate represent America's most vibrant and internationally competitive maritime sector.

The offshore vessel industry fully supports the United State's efforts through the U.S. Coast Guard to ensure the safety of our ports through the implementation of international vessel security rules. If the intent of the interpretation is to ensure that U.S. vessels operating outside the United States have International Ship and Port Security Plans (ISPS), OMSA agrees.

However, the notice, as written, has an impact on the industry which goes beyond the simple intent of ensuring that vessels have ISPS plans and, inadvertently, threatens to do great harm to the ability of U.S. oilfield support companies to operate internationally. To fully understand this concern, the implementation of the April 6th notice must be viewed in tandem with the June 21st interpretation regarding SOLAS enforcement (USCG-2004-17615). This two step interpretation of making each voyage of a U.S. vessel that operates out of U.S. waters an international voyage (USCG-2004-17350) and then applying a much more stringent application of SOLAS to these vessels (USCG-2004-17615) effectively makes it impossible for many U.S. vessels to continue to operate in foreign/domestic service. These changes may affect well over 100 U.S. flag vessels.

Given this highly negative impact, we believe that each of the two interpretations (USCG-2004-17350 and USCG-2004-17615) constitute major rulemakings, which cannot be done through a simple notice of interpretation. The definition of international voyage included in 33 CFR 101.105 is consistent with international understanding of that term. The April 6 notice re-interprets regulatory and well-understood international language. Consequently any changes to the definitions found in 33 CFR 101.105 must be proposed in a Supplemental Notice of Proposed Rulemaking to the original docket and cannot be made with a simple declaratory statement in the Federal Register.

We suggest that in the Supplemental Notice that the intent of this docket would be properly served by the Coast Guard adding the following language to Subchapter H:

33 CFR 101.105 Definitions

Foreign Operations – A voyage by a U.S. Flag self-propelled vessel, that does not meet the definition of International Voyage as found in these regulations, that either originates or terminates at a point or place outside the waters bounded by and including the U.S. Exclusive Economic Zone, including such similar waters surrounding any commonwealth, territory, possession or protectorate of the United States.

33 CFR 104.105 Applicability

Any U.S. flag self-propelled vessel that is greater than 100 Gross Tons (regulatory), and/or greater than 500 Gross Tons (ITC), and/or carrying more than 12 passengers (as defined in 46 USC 2101, including at least one passenger-for-hire), that is engaged in foreign operations as defined in 33 CFR 101.105.

To reiterate our comments, the goal of requiring ISPS plans for U.S. vessels operating outside the United States waters is valid one, but this mechanism threatens to do more harm than good and is an improper regulatory vehicle. Possibly more than 100 U.S. flag vessels are in danger of being unable to operate and compete internationally. The Coast Guard should publish a Supplemental Notice focused on the limited goal of requiring ISPS plans for vessels over 500 GT ITC and removing the harmful aspects of the April Notice.

Sincerely,

Ken Wells President